



VIA COURIER

November 14, 2008

Spencer Dewar  
Manager, Land Administration  
Nunavut Region  
Indian and Northern Affairs Canada  
Building 918, PO Box 100  
Iqaluit, NU X0A 0H0  
Tel: 867-975-4280  
dewars@inac.gc.ca

Dear Mr. Dewar:

**Re: Kiggavik Project Application for Development**

AREVA Resources Canada Inc. (AREVA) is moving forward with the submission of applications for Indian and Northern Affairs Canada (INAC) issued authorization that will be required to facilitate the development of a uranium ore mine and mill at the Kiggavik Project site, approximately 80km west of the Baker Lake community. The activities related to this development will not commence until the Nunavut Impact Review Board (NIRB) issues a Project Certificate and subsequent approvals from authorizing agencies on required permits and licences are received. Project Certification from NIRB is anticipated to occur in 2012.

AREVA's current understanding of the Nunavut impact review process is that we are required to complete and submit a Crown Land Application accompanied by a detailed Project Proposal to INAC, which will be forwarded to the Nunavut Planning Commission (NPC) for a conformity review. It is anticipated that NPC will reach a positive conformity decision and then forward the application package to the NIRB for a screening and ultimately a recommendation that a Review under Article 12 of the *Nunavut Lands Claim Agreement* (NLCA) be conducted.

Therefore, as a requirement of the process please find the enclosed documents:

- Crown Land Application Form (originals in duplicate);
- Application Fees (\$150.00);
- Detailed Project Proposal; and
- Non-technical Project Description in English and Inuktitut

**AREVA Resources Canada Inc.**

P.O. Box 9204 — 817 - 45th Street West — Saskatoon, SK S7K 3X5 — CANADA  
Tel: 1 (306) 343-4500 — Fax: 1 (306) 653-3883 — Web Site: [www.avevaresources.ca](http://www.avevaresources.ca)



Please note that the approximate estimated footprint on Crown Land is 700 hectares or approx. 1730 acres. It is our understanding that leases greater than 640 acres require approval of the Governor in Council prior to INAC issuing the lease according to The *Territorial Lands Act* s. 11(2). We welcome the opportunity to initiate this process and lease fee negotiations during the regulatory review phase to allow for an expedited process following the issuance of a NIRB Project Certificate.

Land Use Permit, N2006C0037, has been issued to AREVA until April 9, 2009 for activities related to the exploration and assessment of uranium ore bodies located at the Kiggavik Project. AREVA will continue to acquire exploration permits throughout the review process in order to continue exploration until receipt of the new lease permitting mine development in accordance with s. 12.10.2 of the *NLCA*.

I trust that AREVA's understanding of the process is satisfactory, if you have any comments, questions, or concerns please do not hesitate to contact myself or Diane Martens at (306) 343-4042 or [diane.martens@areva.ca](mailto:diane.martens@areva.ca).

Please note that a copy of this application has been forwarded to NPC and NIRB in a separate package.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Frederic Guerin'.

Frederic Guerin, Ph.D  
General Manager, Kiggavik-Sissons  
AREVA Resources Canada Inc.  
Tel: (306) 343-4631  
Fax: (306) 343-4640  
[frederic.guerin@areva.ca](mailto:frederic.guerin@areva.ca)  
AREVA group

cc:  
Brian Aglukark, NPC  
Stephanie Autut, NIRB  
ARC



<b>Application for Crown Land:</b>		<b>Office Use Only: Application Number:</b>			
<p>Note to the Applicant:</p> <p>This form is the first step in your application for Federal Crown Lands.</p> <p>Applications are reviewed by government agencies responsible for land use, and the regulation of activity in the NWT. This form is intended to help both you and government. It is not a legal document, but a means of providing the people who have to deal with your application information needed to decide on the applications merit. Most importantly, in filling out the form you will better understand some of the steps that have to be taken in planning and carrying out a successful enterprise.</p> <p>You are advised to read the entire application form before you begin to fill it out. The amount of space provided for each question suggests the level of detail expected. However, you may be asked to supply further additional information. This is an application only, and in no way implies the granting of an approval to the applicant.</p>					
<b>A. Information on Applicant:</b>					
Name in Full:	Diane Martens		Legal Age:		
Address:	AREVA Resources Canada Inc. PO Box 9204, 817 – 45 <sup>th</sup> Street West, Saskatoon, SK S7K 3X5				
Telephone Number: (h)			Occupation:	Regulatory Coordinator	
Telephone Number: (w)	306-343-4042		Employer:	AREVA Resources Canada Inc.	
Name of Spouse:			Occupation: Employer:		
<b>Information on Company, Corporation or Association:</b>					
Name of Company or Association:		AREVA Resources Canada Inc.			
Address:	PO Box 9204, 817 – 45 <sup>th</sup> Street West, Saskatoon, SK S7K 3X5				
Are you registered at the NWT Companies Registry:			Yes: <input type="checkbox"/> No: <input type="checkbox"/>		
Telephone Number:	306-343-4500	Type of Business:	Uranium Mining and Milling	Date & Place of Incorporation:	February 1973 Montreal Quebec Canada
<b>Name and Address of person to whom inquiries related to this application should be addressed:</b>					
Name:	Diane Martens		Telephone Number:	306-343-4042	
Address:	PO Box 9204, 817 – 45 <sup>th</sup> Street West, Saskatoon, SK S7K 3X5				



I hereby make application to: Lease: <input checked="" type="checkbox"/> Purchase: <input type="checkbox"/> Lease with Purchase Option: <input type="checkbox"/> Reserve (Govt. Only): <input type="checkbox"/> Transfer (Govt. Only): <input type="checkbox"/>	If two or more persons are applying for this land please signify the type of Tenancy desired:  Joint Tenancy: <input type="checkbox"/> Tenancy in Common: <input type="checkbox"/>
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**Definition:**

Joint Tenancy - The primary purpose of Joint Tenancy is the right of survivorship, upon the death of one joint tenant, their interest passes to the other joint tenant automatically, and at length to the last survivor.

Tenancy in Common - A form of ownership whereby each tenant (Owner or Lessee) holds an undivided interest in property. Upon the death of one of the individuals their property interest passes to their heirs.

Purpose the land is to be used for:

Commercial: ☐ Industrial: ☒ Residential: ☐ Other (specify): ☐

**B. COMMERCIAL/INDUSTRIAL APPLICATIONS:**

Commercial applications may require approvals from the GNWT (Economic Development & Tourism), prior to this Department issuing any approvals of this application.

Type of industrial or commercial use (describe in detail)

This application is for the development of a proposed uranium ore mine and mill with associated facilities known as the Kiggavik Project, approximately 80 km west of Baker Lake, Nunavut. There are five individual deposits proposed for the project with total quantity of reserves estimated at approximately 44,000 tonnes uranium. The ore would be processed on site to produce approximately 2,000 – 4,000 tonnes/yr of uranium as yellowcake. The approximate operating life of the mine is 17 years. Refer to project proposal for details.

Are there any waste products produced by this use? YES: ☒ NO: ☐

If YES describe the type of waste, the volume of waste and the disposal method(s) to be used:

TAILINGS: Tailings management based on "in-pit tailings management facility" concept, which represents the generally accepted regulatory agencies current definition of "Best Available Technology". Approximately 10.7 million tonnes of tailings will be produced by mining and processing.

WASTEWATER AND SEWAGE: Sewage, including black and grey waters will be managed in accordance with territorial guidelines and regulations. Estimated at 40,000m<sup>3</sup>/yr. Treatment sludge will be hauled to a sludge management area in the Kiggavik waste rock pile

SOLID WASTE: Domestic waste will be either transported off-site for recycling, disposed of in land fills, or incinerated. Domestic waste estimated at 1,900m<sup>3</sup>/yr. Industrial waste will be landfilled. Contaminated waste to be buried within the hydraulic containment areas of the TMFs.

HAZARDOUS: Collected and transported for recycling or disposal at an off-site registered facility.

Refer to proposal sections 2.6, 2.7.4 and 2.7.6

Are there any hazardous materials to be stored other than consumer goods? (Fuel, etc.) YES: ☒ NO: ☐

If YES please list the type, estimated quantities and storage method(s).

Please refer to sections 2.4 – Waste Rock Management, 2.5.2 – Process Description (Reagent Preparation), 2.6 – Tailings Management 2.7.6 – Solid Waste Management (Hazardous Waste), 2.8.6 – Hazardous Materials, 2.9.2 – Project Shipping Quantities and 2.9.6 – Yellowcake Transportation

\*(Hazardous materials as defined in the Transportation of Dangerous Goods Act and Regulations of the Workplace)





Hazardous Material Information System).

### C. PARCEL DESCRIPTIONS:

General Description of Parcel (Hilly or Flat, Tree Cover, Soil Type) (if surveyed, state lot and block or group number. If unsurveyed, state size of parcel and general area).

Refer to project proposal section 5.3 – Topography and 5.4 – Geology.

The approximate estimated Project footprint covers 700 hectares of Crown Land and 1200 hectares of Inuit-Owned Land.

### Project Description:

Briefly describe your general purpose and goals. This is your chance to explain in your own words, your plans and objectives.

The purpose of the project is to mine and mill the Kiggavik and Sissons ore bodies and to produce uranium concentrate (commonly referred to as yellowcake), within the framework of sustainable development applied by AREVA to all of its activities. This project will add to the ore reserves available for processing in Canada and add to the positive economic, employment and business opportunities related to uranium development in Nunavut. In addition, the nuclear power generation made possible will provide an alternative to electricity generated by fossil fuel consumption.

### Project Location:

Provide an NTS map on a 1:50,000 scale indicating:

- Approximate boundaries of land area under application in metres/feet or milepost or road, is applicable
- Existing access if any
- Proposed new access routes
- Nearby water bodies
- Use of adjacent land
- Distance to nearest community
- Co-ordinates

Indicate approximate area of land under application in hectares:

Approximate estimated footprint of 700 hectares Crown land and 1200 hectares Inuit-Owned Land

Standard NTS Map Co-ordinates:

Latitude: 64°26'26" N

Map Sheet  
Number:

64A/05

Longitude:

97°39'36" W

### D. CONSTRUCTION PLANS:

Briefly describe any existing building and/or construction of facilities that you plan. Use your sketch for illustration.

Refer to Section 2.1.1 – Basic Configuration for a list of Project components at each of the three geographical sites and Figures 2.1, 2.2 and 2.3 for layout views.

Value of improvements already on the land:

Name of owner of improvements:



Describe briefly your planned construction methods and materials:
Refer to Section 2 for a description of Mining, Waste Rock Management, Mill process, Tailings Management, Water and Waste Management, Site Infrastructure, Logistics and Transportation and Decommissioning and Reclamation.
Outline your time schedule for your construction program. Indicate approximate starting, construction stage and completion times:
Refer to Section 2.1.2 – Project Schedule
Describe existing and proposed methods of access, and transportation for your project:
Refer to Section 2.9 – Logistics and Transportation
E. WATER:
Do you plan to use water at your facility(s)? If so, estimate the volume to be used per day:
Yes. Refer to Project Proposal Table 2.7 Fresh water requirements will be lower than the total water requirements as the mill process can use a significant portion of recycled water.
Does your plan involve the alteration of any water course? (ie: construction of dams or diverting natural water flows) If so, describe the proposed changes:
Yes. Refer to Section 2.7 – Water and Waste Management (including diversion of surface drainage and a small stream flowing through centre pit to east storage reservoir, small dam at Sik Sik Lake to retain effluent in winter for release during the summer, dyke at Andrew Lake to allow portion of lake to be de-watered).
How do you plan to dispose of:
Liquid Waste: Refer to Sections 2.6 – Tailings Management and 2.7.2 – Water Treatment, 2.7.3 – Treated Effluent Discharge, and 2.7.4 – Wastewater and Sewage.
Solid Waste: Refer to Sections 2.4 – Waste Rock Management and 2.7.6 – Solid Waste Management
If you have specific waste treatment equipment in mind, please describe it:
Refer to Sections 2.4 – Waste Rock Management, 2.6 – Tailings Management and 2.7 – Water and Waste Management
F. OPERATIONS:
Is your use: Year-round <input checked="" type="checkbox"/> Or: Seasonal <input type="checkbox"/>
If seasonal, give details:



How many year round residents will be living at the site:

The Project is expected to employ 400-600 people during operations. The operation would be fly-in/fly-out on a 7 to 14 day schedule with on-site employees housed in a permanent accommodations complex.

#### G. RESOURCE CAPABILITY:

What other general resource activities are taking place on or near your proposed project area, e.g., does the area involve a trapline or any mining activity? Is it an access point for resident anglers, hunters, campers, etc. Is there a registered mineral claim on the project area?

The area is used infrequently for fishing and hunting and there are no known official traplines. Refer to Appendix VII for a table listing Past, Present and Potential Future Projects within 300 km of the Proposed AREVA Kiggavik-Sissons Uranium Mine and Potential Effects. Also refer to section 6.7.2 – Traditional Land Use and Harvest Activities and section 6.7.3 – Non Traditional Economy

Do you see any activity listed in your answer to the above affecting your operation, or is your operation a conflict to them? If so, how?

Refer to Appendix VII for potential interactions of listed projects with the Kiggavik Project and potential general cumulative effects.

Further information such as assessment of potential effects and consideration of mitigation measures and cumulative effects can be found in proposal sections 7 and 8 respectively.

Do you plan on using your facilities for other than the applied for purposes? If yes, briefly describe alternate use.

No.

#### H. FINANCIAL CONSIDERATIONS:

Provide a brief description of the capital costs for your project:

The total capital cost for the project is currently at \$1.7 billion CAD (2007), including components on both Crown and Inuit-owned lands. Expected costs will be developed in more detail during the Feasibility Study.

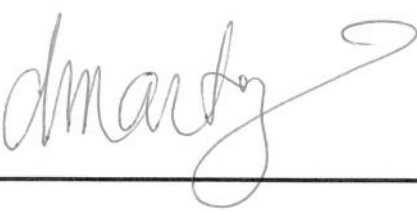
Site  
Preparation:

Materials for initial  
construction:

Construction  
Costs:

Provide a time framework within which these capital costs will be incurred, ie: estimate costs per phase on your construction schedule (section D)



Is there any additional information you wish to include:		
See Project Proposal for further detail.		
L. FEES:		
Land Application Fee (\$150.00) (except Government Agencies):	\$ 150.00	
GST for all applications (\$10.50) (except Residential@):	\$ 10.50	
TOTAL FEES SUBMITTED with this application:	\$160.50	
<b>PLEASE MAKE CHEQUE/MONEY ORDER PAYABLE TO: ARECEIVER GENERAL FOR CANADA@</b>		
I hereby acknowledge and confirm that the filing of this application does not grant me any rights to take, occupy or use the land for which I have applied.		
I certify that the information I have given in this application is correct, to the best of my knowledge.		
Signature of Applicant:		Date: 10 November 2008
Signature of Joint Applicant:		Date:

AFFIX COMPANY SEAL, IF APPLICABLE: